

News from Congressman Joe Sestak

E-Newsletter - January 2009

Congressman Sestak marked his second swearing in by stressing the need for a commitment to transparency, accountability and bipartisanship in all government actions. Keeping our national and local economic security at the top his second term agenda, the Congressman supported a stimulus package our economy needs and legislation to ensure proper execution of Congressional mandates requiring accountability for taxpayer money spent to stabilize our financial markets. In addition, he addressed the announcement of significant layoffs at one of the region's largest employers. In Washington, the Congressman also worked on bills that expanded healthcare for children and Vet and addressed wage discrimination. In the District, he attended numerous community service sites on Martin Luther King Day to express his appreciation for their work and lend his support.

Congressman Joe Sestak is now on Twitter. You can receive updates on the Congressman's daily events as well as links to information about legislation, YouTube clips and photographs from around the District. Sign up at <http://www.twitter.com/JoeSestak>

**For the most complete and up-to-date information on Congressman Sestak's work in Washington and in the 7th Congressional District, please visit <http://sestak.house.gov> . For help with a problem for which the Congressman can offer assistance, please call his District Office at 610-892-8623.*

Accountability, Transparency and Bipartisanship are Themes of Congressman Joe Sestak's Second Term

Joined by nearly 600 of his constituents, Congressman Sestak was sworn-in to his second term in the U.S. House of Representatives on January 6, 2009. Following the ceremony, he expressed his sincere appreciation to the people of the Seventh Congressional District for their faith in reelecting him to serve as their representative during an especially important period in our nation's history.

"I will never stop working to return the trust and respect to the citizens of the 7th Congressional District that they have placed in me," said Congressman Sestak. "There is simply no higher honor than to serve their interests and those of their fellow Americans.

"This election was not a mandate given to us by the public, but rather an opportunity for us to change how we do business in solving America's challenges – in an accountable, transparent, and bipartisan manner. Unfortunately, our government has earned a deserved reputation over the past years for increasing partisanship and, as a result, declining efficiency and effectiveness in the legislative and executive process. However, in the past two years, I have seen some excellent examples of bipartisanship, and those are the models we must use in the next Congress - no matter its political composition. I am especially proud that a majority of the more than 230 measures to gain House approval in the 110th Congress have had bipartisan agreement.

"With the necessary bipartisanship and leadership, we have demonstrated the ability to pass legislation with concrete measures that address the issues that American people must deal with on a daily basis. We must, however, come together to do that not just in a crisis, but in forging the best America for the future in economic, health, education, defense and energy and environmental security."

For more details of the way in which Congressman Sestak will approach his second term, visit http://sestak.house.gov/apps/list/press/pa07_sestak/090106_Swearingin.shtml

Economy is #1 Issue - Concerted Action Necessary

1. Congressman Sestak Votes for Economic Stimulus Bill: A Vital Piece of Legislation for our Nation

The following statement by Congressman Sestak praises the passage of the stimulus package. For a detailed description of the reasons that this bill needed to pass, go to http://sestak.house.gov/apps/list/press/pa07_sestak/090128_Stim.shtml

“I believe that a major economic stimulus package injecting approximately \$825 billion (roughly 5% of GDP) is the absolute minimum required, and that it will only have its full impact if Congress acts immediately. It is needed to provide both relief and a significant boost to the economy, and therefore provides \$275 billion in tax cuts for individuals and small businesses (which has the most immediate impact). It also provides \$550 billion in increased government investment to both salvage jobs in 2009 and create them as we head into 2010, including through: unemployment benefits and food stamps (which give approximately \$1.70-\$1.80 increase in GDP for every dollar invested); increased federal aid to state governments, including significant infrastructure spending (which gives \$1.60 in GDP for every \$1.00 invested); and investments in healthcare and education programs, which are absolutely vital to keep unemployment from going above nine percent by the end of this year rather than more than 11.5 percent, as predicted.

“Not doing this will mean that in the first six months of 2009, 2.6 million Americans will lose their jobs (equivalent to how many have lost them since 2007), further negatively impacting a staggering economy. This package – which could include more tax relief for even more immediate relief (although most tax cuts give an approximately \$1.20 increase in GDP for every \$1 invested) – is needed for both immediate relief that saves and then creates 3 million jobs and for a substantial and long lasting boost to the staggering economy. Our foremost priority must be to reduce the financial strains felt by millions of American families, while simultaneously stabilizing our economy.

“It will be exponentially worse if no action is taken as we will lose 4.2 percent of our GDP this year and 2.2 percent in 2010 if we do not act. If we also focus the additional \$350 billion of

TARP funding recently approved on purchasing distressed mortgage securities, giving them clarity as to their price so as to attract private investment; and have Congress legislate a comprehensive mortgage foreclosure bill that includes forgiving portions of the mortgage itself; and pass this stimulus bill, we can reach, by the end of 2010, the GDP-level of 2007. Otherwise, we cannot go back to our normal unemployment rates until 2014.”

2. Congressman Sestak Voted for the Troubled Asset Relief Program (TARP) Reform and Accountability Act of 2009, as the remaining \$350 million TARP funding is approved.

Ensuring proper use of funds needed to stabilize economy: Evidencing his commitment to restoring confidence in the United States government, Congressman Sestak voted, on January 21, 2009, for H.R. 384, the Troubled Asset Relief Program (TARP) Reform and Accountability Act of 2009, which passed the House by a margin of 260-166, as the remaining \$350 million TARP funding is approved. The legislation overhauls the TARP by strengthening accountability, increasing transparency, closing loopholes, and requiring the Treasury Department to take significant steps on foreclosure mitigation. The legislation mandates quarterly public reporting on the use of funds; establishes mechanisms to ensure "appropriate" use and compliance with all terms of use of TARP funds; and, outlines new uses for future funds released under the TARP program to the Treasury — including foreclosure mitigation, domestic automobile manufacturer assistance, state and municipal bond purchasing, and other additional uses.

The Congressman supported the legislation to improve oversight over the TARP, a program necessary to secure Americans' economic security; restore availability of affordable car, education, small business and other consumer loans; and, prevent further decline in the stock market-- where the value of life savings, pensions, and 401Ks is lost.

Revealing his misgivings about the original legislation's execution, Congressman Sestak explained, "serious policy missteps occurred in the government's implementation of the original TARP approval of \$350 billion. The decision of Secretary Paulson to use the TARP funding for capital insertion into banking institutions, as opposed to its original purpose – for purchasing distressed mortgage loans and securities – reflects this fact. While providing capital was essential, abandoning the distressed asset purchases altogether was a mistake; following this determination by him, prices of those assets caved further. This failure to provide clarity to the price of those assets by the government; purchase of them -- or evenly conducting a reverse auction to set their prices -- resulted in a failure to attract private investment once the price was known, and once the value of an institution holding such assets could then be determined. This bill moves a long way toward correcting this and other failures including, first and foremost, the Treasury Department and the financial and banking industry's inability to ensure accountability

for these funds' application. These accountability rules apply to all institutions that have received funding back to the commencement of the TARP program in October 2008."

The Congressman's vote in support of this legislation evidences his ongoing efforts to restore both economic security to his constituents and transparency to government actions in the midst of this economic crisis.

3. Working with Businesses and the Workforce in Difficult Economic Times

Below is an article written by Congressman Sestak which addresses how government, businesses, and the workforce can best work together in these tough economic times, using a premier business of excellence-- Crozer Keystone Health Systems (CKHS) – to mitigate harm while the economic recovery is occurring. After learning of CKHS' plans lay off up to 400 employees due to recession-related fiscal constraints, Congressman Sestak spoke to CKHS CEO Joan Richards and hosted several meetings with officials from four labor unions who represent Crozer Chester Medical Center (CCMC) employees.

He spoke with CKHS about Crozer's current financial challenges, which Ms. Richards attributed principally to the overall economic slowdown. According to Ms. Richards, the challenges facing Crozer include a decline in the purchase of elective medicine and procedures by prospective patients; reduced income and increased debt among patients; and, less medical payment assistance, among other payment issues. Congressman Sestak also made it clear that at this very difficult time, it is critical that organized labor and management communicate in the most positive and productive way to see that the labor force, which is the heart of every good organization, does not bear a disproportionate cost of this severe recession, as businesses necessarily address their more stressed finances. As decisions are made to reduce workforce and employee benefits, management has a responsibility to be certain that the cuts impact the minimum number of people and offer the continued benefits necessary to see that a period of temporary unemployment does not result in an economic catastrophe, he said.

Here is the article Congressman Sestak wrote:

Recently, Crozer Keystone Health System (CKHS), the largest private employer in Delaware County announced it would eliminate or consolidate 400 positions in its workforce. Like many

local employers, CKHS, long a standard of healthcare excellence in this region, is severely tested by this recession. Its response to that challenge is critical to our community and our country because, in part, the future of our middle class is at stake.

For years, middle class America has been challenged. Real wages are in decline, while costs of healthcare, energy, basic amenities and education are increasing . The ongoing devaluation of the stock market wiped out years of hard-earned savings, and too many good-paying jobs have been lost.

The correspondence I receive from my constituents reflects a strong suspicion that on Wall Street, in Washington, and in corporate headquarters, “the game is fixed.” Despite the fact that they work hard, pay their taxes and mortgages on time, hold health insurance, and do their best to provide their children a good education, their family’s future is uncertain.

My efforts in Congress have focused on restoring accountability, transparency and fairness in government, the workplace, our economy and society. I realize that is a task I cannot accomplish quickly or alone. But what is our future unless we all commit now, to restoring the values that made this nation great? **In recent years, we have seen greed, negligence and incompetence erode the foundations of our democracy.**

For two years, I have been in close consultation with exceptional economic experts, and developed a sound understanding of the causes of our current troubles. I believe firmly in a

capitalist system—but the past decade has seen a perversion of capitalism that has no place in America. Government should have done more to prevent this crisis. But many leaders in industry, finance, health care, energy, education and defense should have too. We must immediately correct our mistakes and redirect the course of our nation.

I am committed to helping businesses weather this storm; however, they must respect the hard-working employees who make them great. When layoffs and position consolidations are necessary, management has five responsibilities: **first**, inform the workforce as quickly as possible regarding the business' financial condition and the need for reductions in employment or benefits. "Knowledge" given candidly helps shape expectations, and - - even if the news is "hard" - - it removes some of the gnawing uncertainty and builds trust in the employer;

second

, keep the workforce actively engaged with management to jointly develop plans that mitigate adverse impacts;

third

, protect senior employees, recognizing their skills and experiences, and that they frequently support several generations;

fourth

, share the pain and sacrifice in meeting the business' challenge among management and the workforce. This will go a long way to ensuring success and a lasting working relationship in the eventual recovery; and

fifth

, be part of a partnership between industry and government that works together to help good workers and management survive extraordinary conditions. The first four recommendations are beyond my direct control. However, I have spent weeks looking to apply the fifth at CKHS as an example of an effective government–industry partnership for the benefit of management, labor and all of my constituents.

CKHS is not the only health care system in jeopardy. As the *Delco Times* described in its November 19th

editorial, our national health care system is "a mess." Increasing numbers of Americans are uninsured, and Medicaid payments to hospitals have declined dramatically, in part as a result of the Medicare Reform Act of 2003. Therefore, in the Economic Stimulus Bill, Congress appropriates almost \$90 billion for Federal Medical Assistance Percentages (FMAP) to help

hospitals recover revenue lost to a misguided policy, and they will not be forced to either lay off workers or lower the quality of healthcare. The combined impact of the Medical Reform Act of 2003 -- and changes in Veterans' Administration policy in 2003 -- has meant that many seniors are either uninsured or underinsured. As a result, their children and even grandchildren are forced to help pay for their healthcare, or those seniors go into debt and many go without essential medicines or treatments. The Stimulus also provides for paying 65 percent of the COBRA healthcare insurance premiums for the unemployed, again to help hospitals like CKHS that have seen a decline in paying patients. Additionally, the bill allots \$20 billion for Health Care information technology, as well as other healthcare funding support, to cut hospital costs.

Everyone will not agree with my vote, but it is the right thing for our hospitals, their employees, patients and those who pay their hard earned dollars for health insurance that entitles them (and their families) to accessible, affordable, quality health care. We cannot allow the current economic crisis to exacerbate our health care crisis and further stress our middle class with increased premiums and/or substandard care. Clearly, this vote meets my standard for government support to industry.

Therefore, I and everyone who pays taxes to provide this added support for health care institutions like CKHS have a right to know that this money will be applied in an accountable, transparent and fair manner. So as the current discussions at CKHS progress, it is reasonable for all taxpayers to take interest in how the workers who made CKHS one of the most successful enterprises in the region are treated.

As we fight through this economic storm, the survival of the middle class is at stake. I ask for your support in helping government reestablish the core values of hard work, accountability, transparency and fairness in government, finance, health care, energy, education and defense. Every business big and small is obligated to keep faith with the hard working employees who have done their best to make the Delaware Valley's economy successful and our community

one of the finest in the country. And we all must remember that we are in this together.

In Legislation

Assuring accountability and transparency in the federal funding process: During his first term, Congressman Sestak worked with his colleagues in the 110th

Congress to cut the dollar amount of earmarks by 43 percent – down to \$9 billion – and took action to adopt strict rules governing earmarks. As part of his commitment to making the appropriations process fully transparent with regard to accountability for requests made by Members of Congress, Congressman Sestak has published and placed on his website all approved earmarks. Now, the Congressman will publish on his website all appropriations requests that he submits and, in addition, he supports a number of other key measures to ensure the process is subject to thorough public scrutiny. These include: making earmark disclosure tables publicly available the same day as House or Senate Subcommittee reports; and reducing earmarks further to 50 percent of the 2006 level for non-project based accounts.

“My goal is to end the earmark system and eventually replace it with an objective, competitive grant process that removes political influence and ensures that all projects stand on their merits,” said Congressman Sestak. To this end, my office is the first Congressional office to publish a manual providing information about opportunities to secure project funding. The second edition of the *Pennsylvania 7th Congressional District Federal and State Grants & Resource Directory* is now available.” (Sign up to attend a grant

symposium hosted by Congressman Sestak:

w.sestak.house.gov/upcoming_events.shtml

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http://www.sestak.house.gov/upcoming_events.shtml

Committing to Children's Health: Congressman Sestak strongly supported and helped the House pass H.R. 2, the State Children's Health Insurance Program (SCHIP) Reauthorization bill, which extends and strengthens the State Children's Health Insurance Program. This legislation, which reflected a bipartisan compromise, would provide health insurance to 11 million low-income children across America through FY 2013. H.R. 2 passed by an overwhelming margin, 289-139, and will be sent to the President to be signed into law. The bill renews and improves the State Children's Health Insurance Program (SCHIP), reauthorizing it for four and a half years – through FY 2013. In addition, it ensures that the 7 million children who currently participate in SCHIP continue to receive coverage. It also extends coverage to 4 million uninsured children, according to the nonpartisan CBO.

Providing fairness to women in the workplace: Congressman Sestak was an original cosponsor of, and helped pass, two important pieces of legislation regarding pay discrimination. The Lilly Ledbetter Fair Pay Act restores the standard interpretation of Title VII of the Civil Rights Act, overturning a Supreme Court decision that made it more difficult for workers to pursue wage discrimination claims. As long as a worker files within 180 days of receiving a discriminatory paycheck, the claims are considered timely, reflecting the intent of the original law.

In addition, the Paycheck Fairness Act requires that non-gender reasons for any gender-based wage disparity have "business justification." An employer would be required to demonstrate that the discrepancy is based on a factor other than gender, such as education, training, or experience, which does not derive from a gender-based differential and is "consistent with business necessity." The employee's successful demonstration that an alternative employment practice exists that would serve the same business purpose without producing the differential, and that the employer subsequently refused to adopt, renders the "business necessity" defense ineffective for the Employer.

Offering better healthcare to our nation's heroes: Congressman Sestak praised steps taken by the Department of Veterans Affairs (VA) to use funding that was appropriated as a direct result of his Veterans summits to restore benefit eligibility to some of the more than 250,000 "Priority 8" Veterans. The summits were "action-oriented;" problem solvers, caseworkers, and decision-makers from the Congressman's office, in addition to as many as three dozen organizations chartered to help Veterans start businesses, continue their education, and receive the disability benefits and medical care due to them, staffed the conference. Participants included the Directors of the Philadelphia, Coatesville and Wilmington VA Medical Centers, the Director of the VA Philadelphia Regional Office and Insurance Center, The Widener University Veterans Law Clinic, and even the chairman of the U.S. House of Representatives Veterans Affairs Committee, Congressman Bob Filner.

“After hearing from myself, regional VA leaders and Veterans in attendance at the summit, Chairman Filner told me that he wanted to work together to increase funding for Priority 8 Veterans. Priority 8s represent Veterans whose injuries are not service related and whose incomes exceed both the national means test (in 2008, if they had one dependent, \$34,117 annual salary and \$80,000 net worth) and the geographic means test (in 2007 in Delaware County, \$46,150 annual salary if the Veteran had one dependent). Following the summit, Chairman Filner and Congressman Sestak both submitted bills to expand the availability of health benefits to Priority 8s.” The summits led directly to the inclusion of \$375 million in the 2009 appropriations bill for Military Construction and Veterans Affairs specifically allotted for Priority 8s, who have been denied vital medical resources by VA protocol since 2003. A policy enacted by the previous Administration in 2003 began banning “Priority 8s” from the VA health system, even though their incomes were often too low to purchase private health insurance. Furthermore, the Congressman submitted legislation aimed to assist additional middle class and lower income Veterans by changing the income requirements for benefits from those who qualify as a “low income family” to those whose incomes do not exceed 200 percent of the maximum income of a “low-income family.”

Recognizing Dr. King’s Legacy; Thanking Local Volunteers on Day of Service

Congressman Sestak spent significant time over Martin Luther King weekend cheering on volunteers throughout Delaware, Chester, Montgomery, and Philadelphia County. Attending 17 events commemorating Dr. King’s achievements in his tragically shortened life, Congressman Sestak praised the selfless individuals who worked to improve their communities, emphasizing Dr. King’s message of unity and compassion.

Congressman Sestak began the weekend on Saturday afternoon at the Elwyn Institute. Before engaging in an arts & crafts activity, the residents and staff in attendance presented a certificate to the Congressman who introduced a video on Dr. King.

On Sunday, the Congressman travelled to Reformation Lutheran in Media, the Careview Community Church in Lansdowne, and the African American Museum in Philadelphia before heading to the Thomas Great Hall on the campus of Bryn Mawr College. After discussing MLK day, applauding the election of the Nation’s first African-American President, Barack Obama, and recognizing that our Country could progress further at the Ministerium of Norristown, Congressman Sestak finished the day addressing a troop of Girl Scout volunteers in Fellowship Hall at Advent Lutheran in West Chester.

He kicked off Martin Luther King Day with a speech to Villanova University students, faculty, and staff about Dr. King, the importance of Villanova's community service efforts, and the impact the students have had throughout the area. After leaving Villanova, Congressman Sestak traveled throughout his District visiting service project sites. Events included: speaking at Penn Wood High School at a school program honoring the work of Dr. King, which preceded a school clean up project; participating in the Weed and Seed of Upper Darby Community Service Event at the Watkins Senior Center; visiting the Don Guanella School, which held a pool cleaning with Valley Forge Military Academy cadets and Don Guanella students; thanking members of the First African Baptist Church in Sharon Hill for taking time to help paint the interior of the church and celebrate Dr. King's legacy; and, honoring Dr. King with remarks at an annual event at Crozer Chester Medical Center, the site where Martin Luther King Jr. received his theological degree.

Upcoming Events

Education and the Economy Summit

This event will bring together local-area educators, business leaders, and others interested in improving education in our region and nation. There will be panel discussions on Early Childhood Education, Special Education, Middle & High School Education, and the intersection of these programs with the needs and expectations of businesses and institutions of higher learning. Following these discussions, there will be a breakout session to discuss the implementation of the 7th Congressional District's Business and Education Secure Tomorrow Together (BESTT) program. This program partners local businesses with area middle schools to provide students and parents the experience and opportunities needed to make informed career selection choices.

Monday, February 2nd

Registration begins at 8 AM

Panels will run from 8:30 until 12:15 followed by lunch and approximately 2 hours for the breakout groups.

Delaware County Intermediate Unit (DCIU)

Education Service Center, Rooms 171-2

200 Yale Avenue

Morton, PA 19070

Phone: (610) 938-9000

Sign up: http://www.sestak.house.gov/upcoming_events.shtml .

Questions please contact Susan Heppler at 610-892-8623 or susan.heppler@mail.house.gov .

Grant Symposiums

Congressman Joe Sestak has scheduled forums to provide important information about obtaining federal, state, and private resources. At the forums, Congressman Sestak will give an overview of the appropriations process and discuss the importance of, as well as best practices for, applying for all types of grants. In addition, he will provide a copy of the *Second Edition of the Pennsylvania 7th Congressional District Grant and Resource Directory* , a one-stop shop for learning about opportunities to secure project funding. Last year's edition was the first known to be compiled by a Congressional office. Below are the last two of the six forums remaining that are scheduled:

1. Meeting for all interested private individuals and private, non-profit, and other organizations:

Delaware County Community College

Academic Building

Great Auditorium

901 South Media Line Road

Media, PA 19063

Saturday January 31st

12-1PM

1. Special meeting for First Responders:

Manoa Fire Company

115 S. Eagle Rd

Havertown, Pa. 19063

February 8th

2-3PM

Sign up: http://www.sestak.house.gov/upcoming_events.shtml .

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